



**House
Legislative
Analysis
Section**

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PSERS: ANNUAL APPROPRIATIONS

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House Bill 5798
Sponsor: Rep. Dominic J. Jacobetti
Committee: Appropriations

Complete to 8-24-90

A SUMMARY OF HOUSE BILL 5798 AS INTRODUCED 5-22-90

The Public School Employees Retirement Act requires that at the end of each fiscal year, the actual amount of compensation paid to public school employees during that year be tallied and compared with the amount previously estimated. Any adjustment consequently needed in the state contribution to the retirement system is to be submitted in the executive budget for the next succeeding fiscal year. The bill would allow a minimum of 20 percent of the amount to be proposed, with a minimum of 25 percent of the remaining amount being submitted in each of the next four succeeding fiscal years, until 100 percent had been submitted. Interest would be included for each year that a portion of the amount was carried forward; the interest would equal the actuarially assumed rate of investment return for the state fiscal year in which payment was made.

MCL 38.1341

House Bill 5798 (8-24-90)